AMENDMENTS TO THE CLAIMS

This listing of claims will replace all prior versions and listings of claims in the application:

LISTING OF CLAIMS:

1. (Currently Amended) A method of administering an investment contract between [[at least two]] pairs of investors, comprising:

associating a contract with a first investor, wherein the contract is based on at least one underlying commodity having a market value, [[and]] wherein the first investor does not hold the underlying commodity or agree to buy or sell the underlying commodity[[,]] and wherein the first investor deposits funds in an account in an amount equal to a maximum potential loss to the first investor;

matching the contract with a second investor thereby creating an active contract, wherein the second investor does not hold the underlying commodity or agree to buy or sell the underlying commodity, and wherein the second investor deposits funds in an account in an amount equal to a maximum potential loss to the second investor;

at least temporarily [[holding]]freezing the first investor funds and the second investor funds associated with the contract[[,]];

determining which one of the first and second investor is to receive a payoff based on the market value of the underlying commodity upon expiration of the contract in relation to one of a target price and a target price range[[,]]; and

paying off, using the frozen first and second investor funds, one of the first and second investor upon expiration of the contract, wherein expiration of the contract is based on at least one of a deviation from a target price range and a specified maturity date.

2. (Currently Amended) The method of claim 1,

wherein a price movement having a direction is defined by comparing the target price to the market value of the underlying commodity upon expiration of the contract[[,]];

wherein the contract specifies an expiration date, a first and second expected direction associated with the first and second investor and a fixed lump-sum payoff[[,]]; and

wherein the payoff is selectively transferred to one of the first and second investor upon

expiration of the contract based on the direction of the price movement of the commodity in relation to the first and second expected direction.

3. (Currently Amended) The method of claim 1,

wherein a price movement having a number of ticks and direction is defined by comparing the target price to the market value of the underlying commodity upon expiration of the contract[[,]];

wherein the contract specifies an expiration time, a first and second expected direction associated with the first and second investor and dollars per tick[[,]]; and

wherein the payoff is calculated and transferred to one of the first and second investor upon expiration of the contract based on the direction of the price movement, the number of ticks and the dollars per tick.

4. (Currently Amended) The method of claim 3,

wherein the contract further specifies a cap[[,]]; and

wherein the payoff transferred to one of the first and second investor is limited by the cap.

5. (Currently Amended) The method of claim 1,

wherein the commodity has a market value at expiration of the contract[[,]]; [[and]]

wherein the contract specifies an expiration date, a first target price range associated with the first investor, a second target price range associated with the second investor and a fixed lump-sum payoff[[,]]; and

wherein the fixed lump-sum payoff is transferred to one of the first and second investor upon expiration of the contract based on the market value of the commodity upon expiration of the contract in relation to the first and second price ranges.

6. (Currently Amended) The method of claim 5, wherein the fixed lump-sum payoff is transferred to the first investor if the market value of the commodity upon expiration of the contract falls within the first target price range.

7. (Currently Amended) The method of claim 5, wherein the fixed lump-sum payoff is transferred to the second investor if the market value of the commodity upon expiration of the contract falls within the second target price range.

8. (Currently Amended) The method of claim 1,

wherein the commodity has a market value upon expiration of the contract[[,]];

wherein the contract specifies an expiration date, a price range bounded by an upper cap associated with the first investor and a lower cap associated with the second investor and fixed lump-sum payoff[[,]]; and

wherein the fixed lump-sum payoff is transferred to one of the first and second investor based on one of the market value of the commodity upon expiration of the contract in relation to the price range.

9. (Currently Amended) The method of claim 8, wherein the fixed lump-sum payoff is transferred to the first investor if the market value of the commodity reaches the upper cap prior to the expiration date.

10. (Currently Amended) The method of claim 8, wherein the fixed lump-sum payoff is transferred to the second investor if the market value of the commodity reaches one of the lower cap prior to the expiration date.

11. (Currently Amended) The method of claim 8, wherein the fixed lump-sum payoff is transferred to the first investor on the expiration date if the market value of the commodity on the expiration date falls within a portion of the price range associated with the first investor.

12. (Currently Amended) The method of claim 8, wherein the fixed lump-sum payoff is transferred to the second investor on the expiration date if the market value of the commodity on the expiration date falls within a portion of the price range associated with the second investor.

13. (Currently Amended) The method of claim 1,

wherein the commodity has a market value at expiration of the contract,[[,]]; [[and]]

wherein he contract specifies an expiration date, a price range bounded by an upper cap associated with the first investor and a lower cap associated with the second investor, a target price and dollars-per-tick[[,]]; and

wherein a payoff is calculated and transferred to one of the first and second investor upon expiration of the contract based on the market value of the commodity upon expiration of the contract in relation to the price range.

14. (Currently Amended) The method of claim 13, wherein the payoff transferred to one of the first and second investor is limited by one of the first and second cap.

15. (Currently Amended) The method of claim 14, wherein the payoff is transferred to the first investor if the market value of the commodity reaches the first cap prior to the expiration date.

16. (Currently Amended) The method of claim 14, wherein the payoff is transferred to the second investor if the market value of the commodity reaches the second cap prior to the expiration date.

17. (Currently Amended) The method of claim 13, wherein the payoff is transferred to the first investor on the expiration date if the market value of the commodity on the expiration date falls within a price range associated with the first investor.

18. (Currently Amended) The method of claim 17, wherein the payoff is calculated based on the difference between the market value of the commodity upon expiration of the contract and the target price multiplied by the dollars-per-tick.

19. (Currently Amended) The method of claim 13, wherein the payoff is transferred to the second investor on the expiration date if the market value of the commodity on the expiration date falls within a price range associates with the second investor.

20. (Currently Amended) The method of claim 19, wherein the payoff is calculated based on

the difference between the market value of the commodity upon expiration of the contract and the target price multiplied by the dollars-per-tick.

21. (Currently Amended) A system for creating an electronic exchange for trading in and administering investment contracts between [[at least two]] pairs of investors, comprising:
a computer system operable to

(i) associate a contract with a first investor, wherein the contract is based on at least one underlying commodity, [[and]] wherein the first investor does not hold the underlying commodity or agree to buy or sell the underlying commodity, and wherein the first investor deposits funds in an account in an amount equal to a maximum potential loss to the first investor;

(ii) match the contract with a second investor thereby creating an active contract, wherein the second investor does not hold the underlying commodity or agree to buy or sell the underlying commodity, and wherein the second investor deposits funds in an account in an amount equal to a maximum potential loss to the second investor;

(iii) at least temporarily [[hold]]freeze the first investor funds and the second investor funds associated with the contract[[,]];

(iv) determine which one of the first and second investor is to receive a payoff based on the market value of the underlying commodity upon expiration of the contract in relation to one of a target price and a target price range[[,]]; and

(v) pay off, using the frozen first and second investor funds, one of the first and second investor upon expiration of the contract, wherein expiration of the contract is based on at least one of a deviation from a target price range and a time horizon.

22. (Currently Amended) The system of claim 21,

wherein a price movement having a direction is defined by comparing the target price-to- the market value of the underlying commodity upon expiration of the contract[[,]];

wherein the contract specifies an expiration date, a first and second expected direction associated with the first and second investor and a fixed lump-sum payoff[[,]]; and

wherein the payoff is selectively transferred to one of the first and second investor upon expiration of the contract based on the direction of the price movement of the commodity in relation to the first and second expected direction.

23. (Currently Amended) The system of claim 21,

wherein a price movement having a number of ticks and direction is defined by comparing the target price to the market value of the underlying commodity upon expiration of the contract[[,]];

wherein the contract specifies an expiration time, a first and second expected direction associated with the first and second investor and dollars per tick[[,]]; and

wherein the payoff is calculated and transferred to one of the first and second investor upon expiration of the contract based on the direction of the price movement, the number of ticks and the dollars per tick.

24. (Currently Amended) The system of claim 23,

wherein the contract further specifies a cap[[,]]; and

wherein the payoff transferred to one if the first and second investor is limited by the cap.

25. (Currently Amended) The system of claim 21,

wherein the commodity has a market value at expiration of the contract[[,]]; [[and]]

wherein the contract specifies an expiration date, a first target price range associated with the first investor, a second target price range associated with the second investor and a fixed lump-sum payoff[[,]]; and

wherein the fixed lump-sum payoff is transferred to one of the first and second investor upon expiration of the contract based on the market value of the commodity upon expiration of the contract in relation to the first and second price ranges.

26. (Currently Amended) The system of claim 25, wherein the fixed lump-sum payoff is transferred to the first investor if the market value of the commodity upon expiration of the contract falls within the first target price range.

27. (Currently Amended) The system of claim 25, wherein the fixed lump-sum payoff is transferred to the second investor if the market value of the commodity upon expiration of the

contract falls within the second target price range.

28. (Currently Amended) The system of claim 21,

wherein the commodity has a market value upon expiration of the contract[[,]];

wherein the contract specifies an expiration date, a price range bounded by an upper cap associated with the first investor and a lower cap associated with the second investor and -fixed lump-sum payoff[[,]]; and

wherein the fixed lump-sum payoff is transferred to one of the first and second investor based on one of the market value of the commodity upon expiration of the contract in relation to the price range.

29. (Currently Amended) The system of claim 28, wherein the fixed lump-sum payoff is transferred to the first investor if the market value of the commodity reaches the upper cap prior to the expiration date.

30. (Currently Amended) The system of claim 28, wherein the fixed lump-sum payoff is transferred to the second investor if the market value of the commodity reaches one of the lower cap prior to the expiration date.

31. (Currently Amended) The system of claim 28, wherein the fixed lump-sum payoff is transferred to the first investor on the expiration date if the market value of the commodity on the expiration date falls within a portion of the price range associated with the first investor.

32. (Currently Amended) The system of claim 28, wherein the fixed lump-sum payoff is transferred to the second investor on the expiration date if the market value of the commodity on the expiration date falls within a portion of the price range associated with the second investor.

33. (Currently Amended) The system of claim 21,

wherein the commodity has a market value at expiration of the contract[[,]]; [[and]]

wherein the contract specifies an expiration date, a price range bounded by an upper cap

associated with the first investor and a lower cap associated with the second investor, a target price and dollars-per-tick[[,]]; and

wherein a payoff is calculated and transferred to one of the first and second investor upon expiration of the contract based on the market value of the commodity upon expiration of the contract in relation to the price range.

34. (Currently Amended) The system of claim 33, wherein the payoff transferred to one of the first and second investor is limited by one of the first and second cap.

35. (Currently Amended) The system of claim 34, wherein the payoff is transferred to the first investor if the market value of the commodity reaches the first cap prior to the expiration date.

36. (Currently Amended) The system of claim 34, wherein the payoff is transferred to the second investor if the market value of the commodity reaches the second cap prior to the expiration date.

37. (Currently Amended) The system of claim 33, wherein the payoff is transferred to the first investor on the expiration date if the market value of the commodity on the expiration date falls within a price range associated with the first investor.

38. (Currently Amended) The system of claim 37, wherein the payoff is calculated based on the difference between the market value of the commodity upon expiration of the contract and the target price multiplied by the dollars-per-tick.

39. (Currently Amended) The system of claim 33, wherein the payoff is transferred to the second investor on the expiration date if the market value of the commodity on the expiration date falls within a price range associated with the second investor.

40. (Currently Amended) The system of claim 39, wherein the payoff is calculated based on the difference between the market value of the commodity upon expiration of the contract and the target price multiplied by the dollars-per-tick.